SUPREME COURT, U. S.
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IN THE

Supreme Court of the United States

OCTOBER TERM, 1969.

No. 322.

MONTECATINI EDISON, S.p.A.,
Petitioner,

v.

E. I. duPONT de NEMOURS & COMPANY,
Respondent.

BRIEF IN OPPOSITION TO PETITION FOR A WRIT OF CERTIORARI.

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Petitioner (hereinafter "Montecatini"), a party to an adversary litigation, seeks to obtain and exploit four (4) analyses of the matters in litigation prepared by its opponent's attorneys for the eyes of their client's management and co-counsel. Despite Montecatini's effort to pose as a public benefactor, its application is in reality a demand for the absolute abolishment of the doctrine of attorney's work product immunity, as developed and refined in *Hickman v. Taylor*, 329 U. S. 495 (1947) and subsequent lower court decisions.

The petition presents no real conflict among the courts of appeal or with the decisions of this court. It presents no significant question of federal law which should be decided by this court. It deals with a controversy about the

production of four documents written by lawyers in the course of actual litigation. We submit that this petition should be denied.

A. The Nature of the Proceeding.

This petition arises out of an interference proceeding, a quasi-judicial trial before the Board of Patent Interferences, an administrative panel of the U. S. Patent Office. The procedure is authorized by 35 U. S. C. § 135 and is conducted under Patent Office Rules 37 C. F. R. §§ 1.201 *et seq.* Its purpose is to determine which of two or more applicants for the same patent—here Montecatini and, among others, respondent E. I. DuPont de Nemours & Co. ("DuPont")—was the first inventor and hence entitled to the patent. While the initial filing and processing of patent applications is done upon an *ex parte* basis (37 C. F. R. §§ 1.1-1.199), once an interference is declared, all *ex parte* prosecution is suspended (37 C. F. R. § 1.212) and the proceeding is then conducted upon an adversary basis, much in the manner of a conventional trial, including examination and cross-examination of witnesses under oath (37 C. F. R. §§ 1.251 *et seq.*, 1.271 *et seq.*). The Board's determination is founded upon the evidentiary record thus made. Appeals can be taken either in the U. S. Court of Customs and Patent Appeals (35 U. S. C. § 141) or in a U. S. district court (35 U. S. C. § 146).

The Patent Office Rules make no provision for discovery. However, Montecatini in the earlier stages of this case persuaded the Courts of Appeals for the Third Circuit (*In re Natta*, 388 F. 2d 215 (3rd Cir. 1968) (Judge Seitz dissenting)), Tenth Circuit (*Natta v. Hogan*, 392 F. 2d 686 (10th Cir. 1968)), and Seventh Circuit (*Natta v. Zletz*, 379 F. 2d 615 (7th Cir. 1967)) that Congress, by enacting 35 U. S. C. § 24, intended the discovery rules of the Federal

Rules of Civil Procedure to be applicable to interference proceedings under the supervision of the U. S. district courts. The present petition arises out of a ruling by the U. S. District Court for Delaware upon Montecatini's discovery application which held that DuPont was entitled to withhold, on grounds of attorney-work product immunity, four documents out of nearly 10,000 which were the subject of Montecatini's demand. The ruling was affirmed by the Third Circuit Court of Appeals.

B. The Nature of the Disputed Documents.

The interference in issue concerns patent applications for a plastic material called polypropylene which were filed by the parties at various times during the period 1954-6. The interference was declared September 9, 1958. The four documents in question were written by attorneys and are dated, respectively, January 15, 1959, April 20, 1959, June 14, 1961 and February 19, 1965. They were described by Circuit Judge McLaughlin, after an *in camera* inspection,[1] as follows:

> ". . . It is sufficient to note that documents 1, 3 and 6 are reports from DuPont attorneys to DuPont management personnel analyzing the nature of the DuPont case in Interference 89,634 and evaluating its prospects for success. Document 8, written by a DuPont attorney, was addressed to the outside counsel representing DuPont in this Interference proceeding. That letter in essence is an analysis of the position of DuPont in the pending interference." (Appendix to Petition, 3a)

Moreover, the record affirmatively discloses that all of the documentation and witnesses' knowledge underlying these

1. The four documents in issue are on file in this Court under seal. (See District Court Docket Entry 71).

legal opinions were furnished to Montecatini, either as part of DuPont's evidence in the interference or pursuant to the production ordered by the district court.[2]

The present case is an even more extreme attempt to rummage through an opponent's files than was before the court in *Hickman v. Taylor, supra.* What was denied to movant in *Hickman* were attorneys' notes of witness interviews conducted shortly after the events in suit with a view to *possible* litigation; what Montecatini here seeks are the legal analyses by opposing counsel of the very issues in *actual* litigation between the parties, analyses first developed *after* the litigation had commenced. Thus, unless *Hickman v. Taylor* be utterly discarded, the decision below seems *a fortiori* correct.

C. The Failure of Montecatini's Petition to Distinguish Between Ex Parte Patent Solicitation and Adversary Interference Litigation.

Montecatini, to avoid the appearance of a direct assault upon the concept of work product immunity, attempts to develop a special basis for its abrogation in the patent field. It urges that doctrines of privilege and immunity available

2. The Montecatini motion for discovery was first presented at a stage of the interference proceeding subsequent to the presentation of DuPont's case-in-chief. During that presentation DuPont had made available its witnesses for cross-examination and introduced 65 documentary exhibits in support of its case; in addition 18 cross-exhibits were introduced from DuPont's file by the opposing parties (See District Court Docket Entries 10-19).

After the Third Circuit ruled upon interlocutory appeal (*In re Natta*, 388 F. 2d 315 (3rd Cir., 1968)) that discovery was appropriate in patent interferences, DuPont produced 9573 pages of documents within the 31 broadly stated categories demanded by Montecatini in its motion (See District Court Docket Entry 1). DuPont asserted no claim of privilege or immunity with respect to any relevant patent application, even where prepared by an attorney, or to any of the documents underlying an application, or with respect to any document created for actual use in the interference.

to litigants in other fields of law cannot stand against the peculiar duty of candor and full disclosure owed in "patent solicitation" matters. This argument was rejected by both the Third Circuit Court of Appeals herein and the Tenth Circuit Court of Appeals in the earlier companion case of *Natta v. Hogan*, 392 F. 2d 686 (10th Cir. 1968). In the latter case, Judge Breitenstein stated, in language specifically adopted by the Third Circuit as applicable to principles of work product immunity as well:

> "Montecatini says that there is no justification for the claim of privilege because of the 'full disclosure' provisions of the patent laws (footnote omitted). We recognize that in the patent proceedings the applicant must observe the highest degree of candor, honesty, and good faith. In our opinion this does not foreclose the assertion of a claim of privilege in a patent proceeding. The attorney-client privilege is designed 'to facilitate the administration of justice' (footnote omitted), in order 'to promote freedom of consultation of legal advisors by clients' (footnote omitted). We see no reason why this long-established principle should not be applied to patent cases. The public interest is in the development of truth, both in patent proceedings and in ordinary litigation. The duty of full disclosure differs from the freedom of consultation with lawyers.
>
> "* * * We agree with Phillips that an automatic waiver of the privilege does not occur when a patent controversy is presented."

We respectfully submit that this statement constitutes the complete answer to Montecatini's contentions which needs no further elucidation from this Court.

Montecatini's argument ignores the fact that patent solicitation involves two distinct types of proceedings: the

ex parte prosecution of patent applications and *inter partes*, adversary interference litigation. The authorities which Montecatini offers as establishing the duty of candor and honesty owing to the Patent Office arose in the *ex parte* context and reflect a recognition that one who seeks a valuable franchise from the government (*i.e.* a patent) owes to it something in the nature of a fiduciary's obligation of fair dealing. One may fully agree with this principle without yielding to the corollary urged by Montecatini, *viz.*, that one side to adversary patent litigation is entitled, in the pursuit of private advantage, to unlimited access to the work product of its opponent's attorneys. By analogy, one may agree that a trustee owes a fiduciary's obligation to his *cestuis* without being required to concede that privilege and immunity are unavailable to the trustee in litigation involving the trust.

Thus Montecatini must urge the complete abolishment of the doctrine of attorney work product immunity. It suggests no reason, nor could it, why a party to adversary litigation before the Patent Office is any the less entitled to the benefits of privilege and immunity than private litigants before any other governmental body or before any court of justice. If privilege and immunity be abolished in adversary patent litigation, logic compels the conclusion that these rights be abolished in *all* litigation. The subject matter of a dispute or the tribunal can hardly be determinative of whether more or less "disclosure" is required to promote the ends of justice and equity.

The answer to Montecatini's broadside challenge to privilege and immunity was given by each of the two Circuit Courts of Appeal in which Montecatini has made its contentions, and was given by this Court 22 years ago in *Hickman v. Taylor*, *supra*. It is that immunity and privilege, like discovery itself, serve, rather than conflict with, the ends of justice.

As Mr. Justice Murphy there recognized, where conflicting rights exist, there should be no absolute rule abolishing one right or the other, but rather there should be a balancing of the conflicting considerations in each instance through the sound exercise of judicial discretion. This policy has been enunciated time and again by this court and by the lower federal courts, including the Third Circuit Court of Appeals. *It is the policy which was applied in this case.*

D. Further Delay of Resolution of a More Than 15-Year Old Dispute Is Unwarranted.

As noted, the patent applications of this interference were filed in 1954 and 1955. Yet, in 1969, more than *fifteen* years later, no patent has been issued, nor is the issuance of one yet in sight. More delay engendered by an essentially frivolous petition seems wholly undesirable.

If Montecatini had followed the initial schedule set out by the Patent Office, its evidence upon the substantive issues of the interference would have had to have been completed by July 29, 1966. Instead, by filing on June 30, 1966, three motions for broad discovery from its opponents, and thereafter pursuing the denial of even the most trivial aspects of its applications to the highest tribunals,[3] it has succeeded in deferring for more than three years the necessity to present its case. The granting of this petition would postpone

3. This petition is Montecatini's second to this Court arising out of this polypropylene interference. On May 2, 1969, Montecatini petitioned from a decision of the Seventh Circuit Court of Appeals dated March 10, 1969 which held that the District Judge had properly construed an earlier mandate of the Seventh Circuit in the Rule 34 motion brought by Montecatini against Standard Oil Company (Indiana), another party to the instant interference. In effect, Montecatini proposed to have this Court explain to the Seventh Circuit what the latter court had really said in its earlier decision. The petition was denied May 19, 1969. (*Natta v. Standard Oil Company of Indiana*, No. 1346, October Term, 1968).

further the presentation of the Montecatini evidence before the Patent Office and the ultimate issuance of a patent on polypropylene, postponements which, one might legitimately infer from its extensive record of litigation, Montecatini is not averse to fostering.

CONCLUSION.

Respondent respectfully requests that the Petition for a Writ of Certiorari be denied.

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